

What Did You Just Agree To?

by Robert L. Cain

There was a time when a handshake meant an agreement had been reached. There was even a time when a handshake was enough to cement an agreement with a tenant when you rented to him or her. Those were the good old days. The days before landlord-tenant laws, landlord-hating attorneys, and tenant-friendly judges.

When you rent to a tenant, and let them move into your rental property with just a handshake agreement, exactly what are you agreeing to? When you rent your property with a handshake, you may be agreeing to one thing, and your tenant to something entirely different. Each of you thinks you are agreeing to the same things, but you probably aren't.

You think that you are agreeing that the tenant will pay the rent on the first day of every month. Your brand-new tenant thinks that it will be okay as long as the rent is there sometime during the month. I once had a tenant tell me that he had never had to pay rent in advance before. I was curious what planet he was from, but his application said he was from California.

You think that the tenant will ask you what colors he can paint the apartment. Your tenant thinks that whatever he wants to do in his new home is his decision alone.

You think that "normal wear and tear" means the apartment should look pretty much as it did when the tenant first moved in—a few

dings in the wall maybe, but certainly clean. Your tenant thinks that "normal wear and tear" means that the apartment is still standing when he moves out.

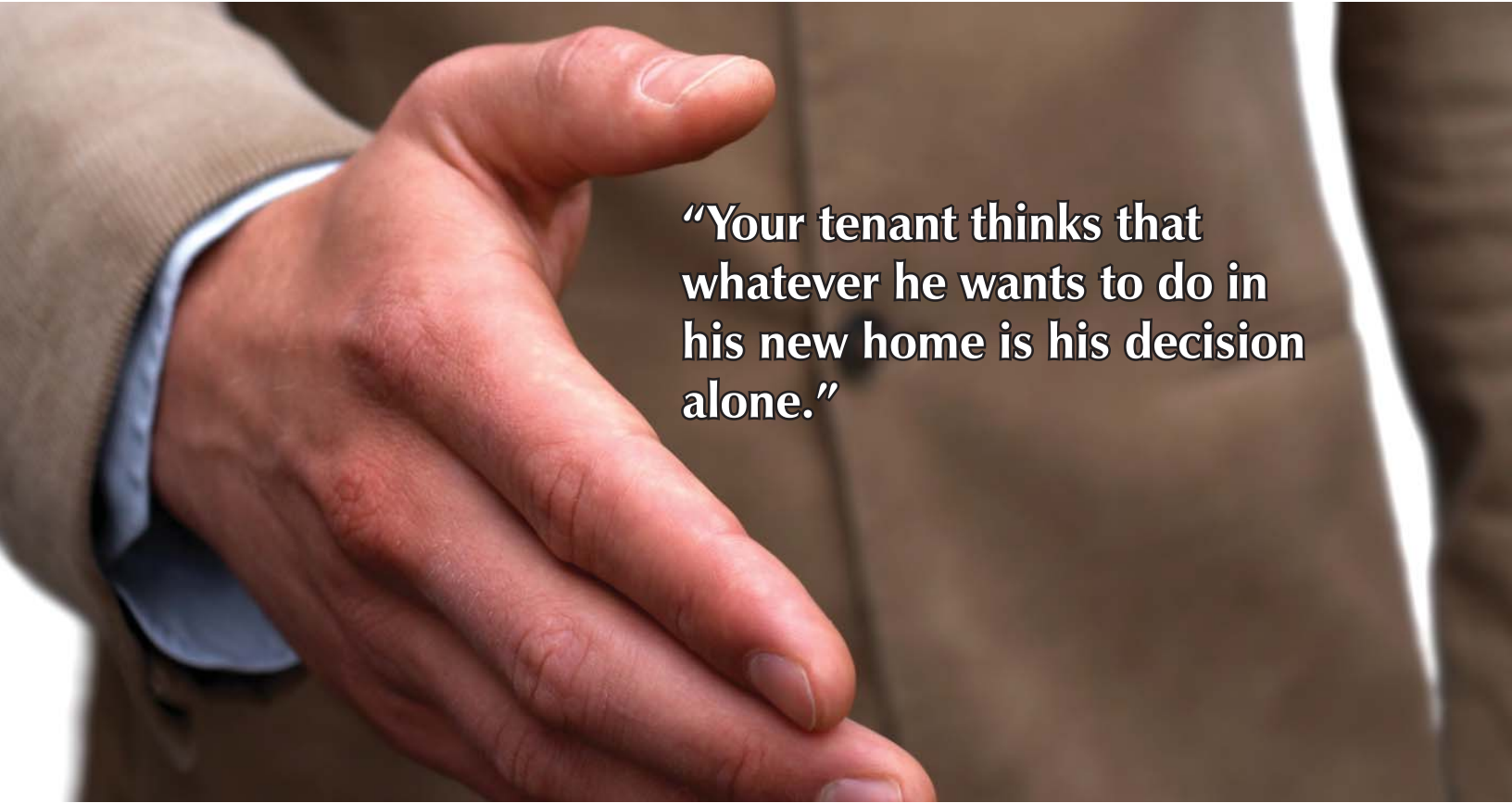
You think that when you rent to a husband, his wife, and child that they are the only people who will be living in your property. The tenant thinks that he can rent out rooms and move in his extended family, amounting to 10 people in a two-bedroom apartment.

This is why we have rental agreements and leases. Rental agreements and leases do not mean you distrust the other person, they mean you are both on the same page. Even minor disagreements and misunderstandings as to what was meant can lead to hard feelings and/or a good tenant moving out. Major disagreements and misunderstandings can end up in eviction court.

Good rental agreements are easy to come by. Your local apartment, landlord, or rental owners associations have forms designed for your state and locality. A good rental agreement means better tenant relations and everybody agreeing to the same things.



Robert L. Cain is a nationally-recognized speaker and writer on property management and real estate issues. For a free sample copy of the *Rental Property Reporter* or *Northwest Landlord* call 800-654-5456 or visit the website at www.rentalprop.com.



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